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More accurate, efficient than paper returns

More than 70 percent of business returns 'E-filed' in Fiscal Year 2010

OLYMPIA, Wash., Aug. 16, 2010 – Doing away with paperwork is really paying off for Washington State revenue collection.

Nearly 1.3 million out of 1.8 million state tax returns were filed electronically during Fiscal Year 2010, a 30 percent jump over the prior year, the Washington State Department of Revenue reported today. More than 70 percent of returns are now filed electronically and the Department expects usage to increase. Nearly 75 percent of all excise taxes are now paid electronically.

Revenue Director Cindi Holmstrom said the resulting reduction in paperwork is helping the Department operate more efficiently, and it benefits businesses too because they make fewer errors when filing electronically.

She noted that efficiencies such as E-file have helped the Department accommodate a 109 percent increase in registered businesses over the past 15 years with only a 2.7 percent increase in staffing.

“The less paperwork we have to do, the more attention we can pay to education and enforcement to ensure that all businesses are paying their fair share,” she said. “Businesses also benefit because the online E-file system checks for errors before the return is filed. That really cuts down on the number of amended returns.”

Businesses who try E-file like it. One example is Frank Gabrielli, president of Digital Granite, a California company that sells products in Washington and other states.

“Of all the states that we are planning on selling in this year, you are by far the easiest and most organized of them all. It is a pleasure to deal with a government organization that is so adept at making things happen correctly and easily. You take the cake,” he said.

E-filing got a big boost in 2009 when the Legislature passed legislation requiring Washington’s largest businesses, which report on a monthly basis, to file and pay returns electronically. Most monthly filers already were filing electronically, but the legislation brought in the remainder and also required those businesses to both file and pay electronically – another efficiency move.

The Department maintains a secure website within <http://dor.wa.gov> for taxpayers to file returns electronically, 24 hours a day, seven days a week. This year, taxpayers have accessed the Department’s secure online applications more than 1.4 million times through July 31.

“More than 90 percent of taxpayers accessing our website have a high-speed connection, and a significant amount of online traffic occurs after business hours,” said Holmstrom. “We’re pleased taxpayers have responded positively to the E-file service, which provides speed and flexibility for submitting returns while greatly increasing accuracy.”

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